

EMPLOYEE SPINOFFS AS THE CHANNEL OF KNOWLEDGE LEAKAGE IN TOURISM INDUSTRY

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ABSTRACT

Although the problem of knowledge transfer becomes more intensively explored in tourism related studies, the management literature only to a limited extend addresses the issue of knowledge leakage. Given that knowledge loss is considered for the most part in the context of employee mobility, the concern of knowledge disclosure and leakage refers primarily to staff outflow to other tourism businesses. A review of extant literature indicated a lack of studies on the knowledge transfer to new tourism ventures set up by ex-employees, i.e. employee spinoffs. Therefore, the aim of the article is to fill the research gap by exploring the nature of the knowledge transferred to employee spinoffs created in tourism industry and the development of parent-spinoff business relationships.

Keywords: employee spinoff, spinout, spinoff, knowledge, knowledge transfer, knowledge leakage, tourism industry

INTRODUCTION

Along with a growing recognition of the importance of knowledge for the survival and growth of tourism enterprises, the problem of knowledge transfer becomes more intensively explored in tourism related studies. The logic of the knowledge transfer concept embraces both, acquisition and loss of knowledge (Paulin & Suneson, 2012). Although the management

literature only to a limited extent addresses the issue of knowledge leakage (Mohamed et al., 2006; Ritala et al., 2015; Najda-Janoszka & Wszendybyl-Skulska, 2015), available studies raise attention to staff turnover as the main channel of knowledge loss (e.g. Mohamed et al., 2006; Parise, Cross & Davenport, 2006; Najda-Janoszka & Wszendybyl-Skulska, 2015). Authors argue that unlike disclosure of raw data, leakage of highly processed and contextualized knowledge is considered primarily in the context of movement of people within and beyond organizational structures (Ahmad et al., 2014; Urbancova & Linhartova, 2011). Hence, acknowledging that human assets are widely recognized as a source of competitive advantage (Coff, 1997), employee mobility raises the risk of both, losing the key competency of an organization and enabling close competition (Campbell et al., 2012). Given that tourism industry is characterized by rather competitive than cooperative attitudes, fast diffusion of knowledge, a widespread free-rider behavior, human intensive value creation processes, and a high staff mobility (Hjalager, 2010; Sundbo, Orfila-Sintes & Sorenson, 2007; Chalkiti & Sigala, 2010; Ladkin, 2011; Najda-Janoszka, 2013), the concern of knowledge disclosure and loss refers for the most part to staff outflow to other tourism businesses (Najda-Janoszka & Wszendybyl-Skulska, 2015). Results obtained during a previous preliminary study on knowledge leakage in the hospitality industry suggested that engagement in initiatives aiming at knowledge protection tend to intensify with the number of employees leaving the firm to work in other hospitality business (Najda-Janoszka & Wszendybyl-Skulska, 2015). Employees may strengthen competition by joining another established firm or set up a new venture, yet according to the findings presented by Campbell et al. (2012), a new venture creation by ex-employees has a larger adverse impact on the source/parent firm than employee mobility among established firms in the same industry. One of the main reasons refers to a greater replication and transfer of complementary assets that occur when an ex-employee sets up a new business next door (Campbell et al., 2012).

Thus, following aforementioned traits we decided to explore more thoroughly employee spinoffs in tourism industry. Although a burgeoning literature seeks to quantify the employee spinoff phenomenon (e.g. Klepper & Sleeper, 2005; Agarwal et al., 2004; Campbell et al., 2012), there is an apparent lack of scholarly works investigating the issue in the tourism industry. Extant studies focus rather on estimating the economic spinoff effects that arise from the tourist expenditure in a region's economy (esp. due to new investments, events) than on analyzing employee initiated spinoffs. Therefore, in order to address existing research gap the purpose of this study is to explore the nature of the knowledge transferred to employee spinoffs in tourism industry and to formulate informative hypotheses for further empirical investigation.

According to our main assumption, industry and firm specific knowledge, gained by an employee during tenure in the parent tourism firm, is being transferred to a new tourism venture set up by that employee, and as a critical initial endowment determines growth of that venture. Guided by this assumption, and adopting a broad input-process-output approach, we formulated five research questions to be addressed in this study (Table 1).

Table 1. Research agenda

Input	Processes	Outcomes
What are the triggers for the employee spinoff to arise? What type of experience and knowledge do employees gain at the parent enterprise before setting up an employee spinoff?	To what extent there is a knowledge overlap between employee spinoff and a parent enterprise? How do relations between the new venture and ex-employer develop in time?	To what extent a type of knowledge gained at the parent enterprises determines growth of employee spinoffs?
Knowledge transfer		
Tourism industry		

Given the conceptual nature of the article, the next section presenting the theoretical background is divided into five subsections that refer directly to each formulated research question. All sections conclude with testable hypotheses. Final section discusses contribution.

THEORETICAL BACKGROUND AND HYPOTHESES

The extant literature provides a common conceptualization of a spinoff as formation of a new organization from an established one (e.g. Wallin, 2012; Klepper, 2009). However, a continuing exploration of the varying nature of the formation settings has led to development of three specific streams of inquiry focused on academic, corporate and employee spinoffs (Thompson & Chen, 2011; Ferreira et al., 2017). Accordingly Table 2 presents an overview of the distinct nature of those spinoff types.

Table 2. Spinoff types

Criteria	Academic spinoff	Corporate spinoff	Employee spinoff
Founder/s	Researcher/s	CEO/managing board	Employee
Parent organization	Publically funded non-for-profit university/Research Center	Enterprise	Enterprise – employer
Primary purpose	Commercialization of knowledge emanating from university research	Divestment, diversification	Pursue of business opportunity, avoidance of adverse events
The basis for setting up	Transfer of university knowledge, researcher/s	Transfer of new or existing knowledge of enterprise, employees	Transfer of employee with embodied intellectual assets
Organizational connection with the parent	Formal and/or informal ties embracing provision of resources, collaboration	Owned/controlled to varied degrees but managed independently	Autonomous, independent business entity

Academic as well as corporate spinoffs have been thoroughly investigated through the years (e.g. Fryges & Wright, 2014), while employee spinoffs have been gaining scholarly attention quite recently (Wallin, 2012; Klepper, 2009; Ferreira et al., 2017). Besides a limited research material and a relatively narrow spectrum of investigated industries (e.g. Chatterji, de Figueiredo & Rawley, 2014; Phillips, 2002; Agarwal et al., 2004; Klepper & Sleeper, 2005)

among which tourism is lacking¹, there is no agreed upon the proper term for the phenomenon (e.g. Yeganegi et al., 2016). The review of available research works provides a quite wide spectrum of labels used to define and describe ex-employee based new business ventures: spinouts (Agarwal et al., 2004; Franco & Filson, 2006), spinoffs (Klepper & Sleeper, 2005; Andersson & Klepper, 2013), entrepreneurial spinoff (Helfat & Lieberman, 2002), employee spinoff (Thompson & Chen, 2011; Fryges & Wright, 2014; Argyres & Mostafa, 2016). In order to eliminate confusion and ambiguity present across available research works on spinoffs, in this study we use the term employee spinoff as the one with a distinctive, definitional feature that matches the labeling tradition used with regard to academic and corporate spinoffs. We also follow the definition provided by Agarwal et al. (2004), according to which employee spinoff is understood as “entrepreneurial venture by ex-employee of an incumbent firm [that] compete in the same industry as the parent but with no equity relationships with any incumbent” (p. 501).

Debates surrounding spinoffs gravitate towards an evidenced better performance of those entities in comparison to other new ventures (e.g. Phillips, 2002; Agarwal et al., 2004; Klepper, 2007; Dahl & Sorenson, 2013). Thus, much of the inquiry has been focused on mechanisms that account for that outperformance. Among them knowledge transfer has become the most widely claimed and empirically confirmed (e.g. Phillips, 2002; Dahl & Sorenson, 2013; Campbell et al., 2012). It is argued that ex-employees equipped with industry related experience and know-how acquired during employment set up more successful businesses than entrepreneurs coming from outside the focal industry (Dahl & Sorenson, 2013). Hence, given that knowledge is commonly recognized as a key factor in tourism business determining survival and growth capabilities (Paraskevas et al., 2013; Hjalager, 2002; Weidenfeld, Williams

¹ There are several studies covering the universe of firms in a country – e.g. Denmark (Dahl & Sorensen, 2013), Sweden (Andersson & Klepper, 2013), Germany (Fackler, Schnabel & Schmucker, 2016), Brazil (Muendler, Rauch & Tocoian, 2012), yet authors do not provide data enabling identification of tourism industry.

& Butler, 2010), there is an evident need for a thorough investigation of knowledge transfer through employee outflow to new ventures. In our study we departure from the canonical classification into explicit and tacit knowledge (Polanyi, 1966; Nonaka, 1994), which is the most represented one in tourism related research (e.g. Cooper, 2006; Hoarau & Kline, 2014; Weidenfeld et al., 2010; Shaw & Williams, 2009; King, Breen & Whitelaw, 2014), and instead, guided by the merits of the formulated research agenda and lines of inquiry presented in the management literature on employee spinoff, we use a pragmatic approach to knowledge classification that adopts usefulness to organization as a basic criterion (Alavi & Leidner, 2001; Yang & Wan, 2004). Moreover, lacking conceptual as well as empirical research on employee spinoffs in tourism industry, in the following sections we refer to a broader set of management studies investigating the issue across diverse industries in order to discern informative insights enabling formulation of valuable hypotheses.

What are the triggers for the employee spinoff to arise?

Among the growing literature on employee-based start-ups, a significant part of presented discussions refers to potential reasons for such ventures. Given that employee spinoffs originate from incumbent, parent enterprises, scholarly attention concentrates on circumstances in those enterprises that are conducive to such spinoffs. Some explanations drawing on the logic of cost-benefit analysis focus on employee salary issues (e.g. Cassiman & Ueda, 2006; Campbell et al., 2012). It is argued that the level of remuneration can significantly affect decision-making of valuable personnel to either stay or leave in order to start own new venture (Carnahan, Agarwal & Campbell, 2012). Nevertheless, according to the findings even high wages and tailored compensation packages may not prevent employee outflow to own business ventures (Campbell et al., 2012). Hence, other inquiries turn to organizational culture, which may pose various bureaucratic obstacles that induce spinoff activities or may provide opportunities for learning

entrepreneurship and building valuable social networks (Cordes, Richerson & Schwesinger, 2014; Sorensen, 2007). Moreover, researchers put the accent on instances when organizational culture is disrupted by changes of ownership, new CEO appointment, turnover of key leaders, and thus highlight emerging tensions as important triggers of employee spinoffs (Klepper & Thompson, 2010). The line of reasoning built around frustration of employees has received a broad recognition in the subject matter literature (e.g. Agarwal et al., 2004; Cassiman & Ueda, 2006; Hellmann, 2007; Klepper & Thompson, 2010). In addition to aforementioned structural changes in enterprises and remuneration aspects, available studies indicate other sources of frustration such as limited opportunities for career advancement (Agarwal et al., 2004), new idea rejection (Klepper & Thompson, 2010; Cassiman & Ueda, 2006; Klepper & Sleeper, 2005), insufficient and/or unsuitable complementary resources provided by the enterprise for a new idea development (Stieglitz & Heine, 2007). Nevertheless, it has also been evidenced that employees may leave their employer due to entrepreneurial aspirations (Anton & Yao, 1995; Dahl & Sorenson, 2013) related to financial and non-financial benefits such as self-actualization, recognition, self-fulfillment (Franco & Filson, 2006). According to Dahl & Sorenson (2013) the whole spectrum of explanations presented in the literature can be discussed along two main motives – disagreements in bargaining between employees and management in the incumbent firm and expropriation of knowledge gained during tenure in the parent firm. However, it is important to underline, that those motives are not mutually exclusive, i.e. an employee frustrated over salary and other work-place conditions may decide to leave to own business when additionally motivated by a sensed market opportunity that enable capitalizing on acquired knowledge.

Directing inquiry toward tourism shifts the focus on peculiar employment conditions observed across the industry. It has been commonly found that tourism business is characterized by a high staff turnover driven by extremely irregular demand patterns (Nickson, 2007; Ladkin,

2011). Moreover, available findings confirm that this turnover reaches a significantly higher rate comparing to other industries of the economy (Ladkin, 2011; Baum, 2007; Marcouiller & Xia, 2008) and for most part occurs voluntarily (Baum, 2007). Further, authors point at relatively low wages (Marcouiller & Xia, 2008; Baum, 2007; Stacey, 2015), dominance of seasonal and temporal work arrangements (Nickson, 2007; Baum, 2007; Stacey, 2015), long and antisocial working hours (Stacey, 2015), and ease of generic skills transition across a wide range of establishments (Nickson, 2007; Baum, 2007). Industry is dominated by small and medium-sized enterprises (SMEs), which provide around 75% of work places in OECD countries (Stacey, 2015) but generate only limited opportunities for career development (Stacey, 2015). However, the share of self-employed is higher than in other industries (Stacey, 2015). According to statistics tourism is one of the fastest growing industries in the world economy (WTTC, 2017; UNWTO, 2016) and observed technology advancements together with social changes open up a wide range of new opportunities for entrepreneurship (Stacey, 2015). Limited efficacy of the available mechanisms for intellectual property protection (Najda-Janoszka & Kopera, 2014) can encourage employees to seize those opportunities by capitalizing on knowledge gained during employment.

The review of the extant literature generally provides a quite unfavorable picture of the tourism labor market as the one with a great potential for generating employee frustration. Accordingly,

Hypothesis 1. Employee spinoffs in tourism industry are primarily driven by disagreement motives.

What type of experience and knowledge do employees gain at the parent enterprise before setting up an employee spinoff?

Given that employee spinoffs are formulated around the knowledge and experience of ex-employees gained during previous employment, a significant part of scholarly attention has been directed toward the nature of that initial endowment. Although, job tenure provides opportunities for learning both explicit (know that) and tacit (know how) types of knowledge created in an organization (Nonaka, 1994), it is argued that superior access to tacit information of ex-employer is the most critical for the employee spinoff formation process (Dahl & Sorenson, 2013). Thus, employee entrepreneurship has been commonly conceived as the agent of tacit know-how (Agarwal et al., 2004). Nevertheless, in search for more informative insights researchers have reached beyond that canonical classification and further differed in kinds of knowledge employees acquire before leaving their parent enterprise. A prominent knowledge category discussed across studies on employee spinoffs refers to technological know-how embracing production processes and product designs of former employers (e.g. Agarwal et al., 2004; Klepper & Sleeper, 2005; Koster, 2005; Thompson & Chen, 2011; Dahl & Sorenson, 2013). Provided findings suggest an exceptional usefulness of that knowledge for value creation processes of employee spinoffs (Agarwal et al., 2004; Koster, 2005; Klepper & Sleeper, 2005). Authors highlight that business model of those new ventures is usually built on a technology transferred from the parent enterprise and ventures originating from firms positioned close to the technological frontier tend to produce also more technologically advanced products (Agarwal et al., 2004). Nevertheless, other studies emphasize the importance of non-technological knowledge for the success of employee-driven ventures (Chatterji, 2009). It has been suggested that in order to capitalize on inherited technical knowledge, a complementary experience in marketing and organizational areas may be beneficial (Chatterji, 2009; Delmar & Shane, 2006). As evidenced by Campbell et al. (2012) employee's ability to transfer or replicate assets of the parent firm that are complementary to knowledge possessed by the employee determine options for new venture creation. Recent studies highlight the value of diversity of

pre-entry experience of employees that decided to set up own new venture (Sorensen & Phillips, 2011; Cordes et al., 2014). A useful breadth of skills can be acquired through job rotation mechanism (Ortega, 2001; Bennett, 2003; Eriksson & Ortega, 2004) or employee initiated experimentation with different tasks (Chatterji et al., 2014). Additionally, researchers underline the importance of relational knowledge (know who, know with) that employees internalize and further utilize in their new ventures (Furlan & Grandinetti, 2016; Dahl & Sorenson, 2013). Network ties and customer links developed during previous employment appear particularly valuable as they convey reputation and enable access to necessary resources for the new venture (Dahl & Sorenson, 2013).

In case of tourism industry, available findings suggest that it is quite easy to enter the business but it becomes quite challenging to manage successful performance (Meriot, 2005; Marhuenda, Strietska-Ilina & Zukersteinova, 2005). Tourism is widely recognized as a labor intensive industry that provides employment opportunities for people entering the labor market for the first time as well as opportunities for creating self-employment in small- and medium-size income generating activities (UNWTO & ILO, 2014). However, given peculiarities of the value creation process in tourism, industry-specific knowledge becomes critical to ensure the growth of created business (Stacey, 2015). According to the findings presented by Brouder & Eriksson (2013) founder's experience related to the type and scope of the new tourism venture contributes to its success and so do the locality of this experience. Moreover, it is argued that critical success factors in tourism business involve "people skills" enabling innovations in the area of service offer and marketing activity (e.g. Zontek, 2014). The volatile demand cycle together with technological advancements, growing integration and complexity of products and services, generate a growing pressure for "multiskilling where a combination of different qualifications, or a combination of specific skills typical for various qualifications, is required from staff, leading to emergence of new – hybrid – occupations" (Marhuenda et al., 2005, p.

24). This multiskilling orientation complies with practiced career development path based on horizontal promotion in the company (e.g. transfer to its other branches in the country or abroad) (Stacey, 2015). However, although an increasing functional flexibility in the labor force and a growing complexity of tasks become widespread in tourism industry, large chain corporations (hotels, catering) tend to maintain standardization of skills and tasks (Strietska-Ilina et al., 2005). Nevertheless, it has been evidenced that the breadth of knowledge and skills gained by employees in tourism enterprises are highly useful for other tourism related businesses as well as for firms operating in distant industries (Stacey, 2015; Joppe, 2005). Thus, given that findings suggest that spinoffs are typically created by superior, more creative and productive employees that acquired valuable insights into various aspects of running a business in particular industry, we suggest:

Hypothesis 2. Employees that were involved in varied business processes at parent tourism enterprises tend to set up more capital-intensive tourism business ventures.

To what extent there is a knowledge overlap between employee spinoff and a parent enterprise?

A systematically growing body of research on employee spinoffs provides evidence suggesting that pre-entry experience and knowledge of founders influence their choice of the target market (Helfat & Lieberman, 2002; Klepper & Sleeper, 2005; Franco & Filson, 2006). It is argued that employee-originated ventures inherit general (industry-specific) as well as specialized (firm-specific) technical and market related knowledge from parent firms and such inheritance shapes the initial product/market profiles of those ventures (Klepper & Sleeper, 2005; Helfat & Lieberman, 2002). Available studies point at the fact that many of new ventures set up around apparently “an innovative idea” are in fact based on ideas generated and

developed (to a certain extent) during previous employment of their founders (Bhide, 2000;; Nikolowa, 2011). Given that the extant evidence highlights “the importance of the similarity between pre-entry resources and the required resource profiles of the markets of entry” (Helfat & Lieberman, 2002), it can be assumed that ex-employees may be more inclined to utilize acquired knowledge to imitate product/market offering of their former employers. Hence, authors highlight findings informing on employee spinoffs drawing quite narrowly on the former employer’s know how and experience in a particular product category (e.g. Klepper & Sleeper, 2005; Franco & Filson, 2006). According to Basu et al. (2015) more impactful ventures are created by founders who utilize knowledge that diverge modestly from the one the parent enterprise. Evidenced similarities go further as extant research confirms that employee spinoffs tend to locate and operate geographically near their parents (Golman & Klepper, 2016; (Berchicci, King & Tucci, 2011) and such decision is based on the new venture’s technological and market strategies determined strongly by the initial endowment of intellectual capital (Berchicci et al., 2011). A degree of this product/market proximity is also affected by the efficacy of the available mechanisms for intellectual property protection (Hellman, 2007). When the efficacy is relatively low it is much easier for employees to develop close variants of their parent’s products (Hellman, 2007). Nevertheless, the initial stock of inherited knowledge has to be confronted with an unique set of managerial challenges of the new venture (Sorensen & Phillips, 2011). Thus, discussed imprinting is expected to be much stronger during the first years of employee spinoff development (Agarwal et al., 2004; Furlan & Grandinetti, 2016). Further development trajectory may involve new knowledge acquisition and creation, given that “more value is created by spinouts than is lost by incumbents” (Bloom et al., 2013, after: Yeganegi et al., 2016, p. 1103).

Abovementioned argumentation presented in the extant management literature on employee spinoffs provides a quite rich informative foundation to explore the issue with regard

to the specificity of tourism industry. It has been commonly found that tourism industry is characterized by a seasonal and volatile demand that raises the risk of unstable and uncertain market for new concept testing (Najda-Janoszka & Kopera, 2014). Delivering tourist products is more about providing experiences than particular services, which implies a high level of customer intensity and challenges with understanding changing customer preferences (Sorensen, 2011). Having access to valuable insights into a specific market context, gaining experience in functional activities tailored to experience based products, employees can be strongly encouraged to leverage acquired intellectual assets by applying them in a relevant, corresponding environment – i.e. similar market where the parent enterprise operates (Brouder & Eriksson, 2013). Moreover, evidenced limited efficiency of legal protection of intellectual property in tourism business (Hjalager, 2010; Najda-Janoszka, 2013; Najda-Janoszka & Kopera, 2014) can support ex-employees in capitalizing on specialized knowledge gained through employment (Agarwal & Shah, 2014). Thus, resuming all discussed arguments we propose:

Hypothesis 3. In the first years after founding employee spinoffs tend to provide similar product/market offer to parent tourism enterprises.

How do relations between the new venture and ex-employer develop in time?

According to the literature employee outflow to a new venture raises the risk for the parent company of losing the key competencies (knowledge embodied in human resources) and of enabling potentially close competition (Campbell et al., 2012; McKendrick, Wade & Jaffee, 2009). Findings discussed in relation to the previous research question of this study suggest that employee spinoffs tend to locate closely to their parent firms and draw heavily from the initial knowledge endowment inherited from them. Moreover, spinoff entrepreneurs tend to reach for

former co-workers when recruiting staff to their new venture (Dahl & Sorenson, 2013). Thus, researchers devote much effort to investigate the impact of employee-based ventures on parent firms (Klepper, 2009; Campbell, et al., 2012). Among stylized facts discussed by Klepper (2009), an interesting one informs about an initial rise in hazard of exit and decline in technological standing experienced by firms than spawned employee spinoffs. Further studies have also demonstrated negative influence of employee spinoffs on parental performance (Campbell et al., 2012; McKendrick et al., 2009; Phillips, 2002). Thus, although reaction of parent firms to employee spinoffs may vary from friendly, supportive, neutral, negative to hostile, many firms tend to exercise the latter of possible options (Walter, Heinrichs & Walter, 2014). Interestingly, as evidenced by Walter et al. (2014) parent hostility (e.g. denial of support, low-suits, discrediting, limited access to business network) can negatively affect performance of employee-based ventures. It is also argued that a rough relation between ex-employee and former employer can be traced back to disagreements that triggered spinoff formation in the first place (Walter et al., 2014).

Considering business relationships in tourism industry, it has been commonly evidenced that tourism enterprises exhibit in general a weak disposition toward cooperation (Najda-Janoszka & Kopera, 2014). Despite the fact that the nature of the tourism business is characterized by an exceptional complementarity and interdependence (Camison & Monfrot-Mir, 2012) as the existing pattern of consumption creates bundles of services provided by different tourism firms – i.e. experiences (Hjalager, 2002, p. 470), other firms tend to be perceived rather as rivals than partners (Sundbo et al., 2007; Najda-Janoszka, 2013). It is argued that such reluctant attitude toward collaboration is rooted in specific structural features as well as behavioral patterns of the industry, e.g. dominance of SMEs experiencing high volatility of ownership changes, volatile demand and high staff mobility across industry, culture of little trust, free-rider attitude (Najda-Janoszka & Kopera, 2014; Hjalager, 2002; Camison &

Monfort-Mir, 2012). Thus, many authors underline the need for active role of institutional bodies in providing support for cooperative initiatives in tourism industry (Weiermair 2006; Keller 2006; Decelle 2006). Taking into account dominance of competitive attitudes, prevalence of imitation practices, and discussed earlier frustrating working conditions that may induce disagreements and further formation of a new venture, we suggest:

Hypothesis 4. New tourism ventures founded by employees tend to have rather competitive than cooperative relations with parent tourism enterprises.

To what extent a type of knowledge gained at the parent enterprises determines growth of employee spinoffs?

In order to succeed a spinoff requires not only an operational-level knowledge, but also a management-related knowledge that is capable of defining its value in market terms and then deliver it to targeted customers. It is a strategic axiom for any kind of enterprise, however validity of this axiom in the employee spinoff context has not been addressed by many authors (e.g. Phillips, 2002; Denker, Gruber & Shah, 2009). However, the importance of strategic business knowledge for spinoffs can be inferred indirectly on the basis of a respective support provided by many institutional programs nurturing university spin-offs (Sternberg, 2014), as entrepreneurs in this kind of setting usually have not previous opportunity to gain the necessary experience in that area. As it was mentioned before most studies on employee-based ventures focus on technological knowledge, while strategic knowledge and related business processes tend to be approached in a “black box” manner (e.g. Clarysse, Wright & Van de Velde, 2011). If the “black box” is to be opened it is necessary to identify types of strategic, business-related knowledge required for development of employee spinoffs. Such undertaking is even more critical with regard to tourism industry dominated by SMEs with a high functional flexibility

of employees, less elaborated labor division (Marhuenda et al., 2005) and thus less transparent when it comes to the spread of strategic management tasks.

The few studies highlighting prior managerial experience of spinoff entrepreneurs suggest that access to organizational blueprints enable employees to establish more reliable routines for their new ventures (Phillips, 2002). It is argued that pre-entry management experience equips employees with useful skills in the area of functional and relational knowledge, as well as with the ability to identify and acquire necessary resources in a more efficient manner (Denker et al., 2009). Other research emphasizes the critical role of business model in the success of technological spinoff ventures (Chesbrough & Rosenbloom, 2002). Defining business model requires knowledge on various managerial aspects of a new venture functioning, including: defining value proposition, identifying customer segments and building customer relationships, as well as those with suppliers and partners, developing distribution channels, managing revenue flows and cost structure, acquiring resources in addition to managing and performing key activities (Chesbrough, 2010). Thus it is expected that this kind of knowledge should be brought in by a spinoff entrepreneur in order to increase chances for success of a new venture. The unsolved question concerns the degree of relevance of such pre-entry managerial experience, given that new ventures face “own unique set of managerial challenges” (Dahl & Sorenson, 2013, p. 666).

Although tourism industry is most often associated with low-skilled jobs, recent statistics confirm that a significant proportion of service positions (around 25-30%) are supervisory or skilled occupations at managerial, professional or technical levels (UNWTO & ILO, 2014). Additionally a growing trend of multiskilling provides new opportunities for gaining experience across business processes (Marhuenda et al., 2005), a valuable overview of the organization’s vital routines, and for “developing skills that meaningfully affect the strategic direction of the firm” (Sorensen & Phillips, 2011, p. 1281). Accordingly,

Hypothesis 5. New tourism ventures set up by employees that had opportunity to acquire strategic knowledge at parent tourism enterprises exhibit higher growth.

CONCLUSIONS

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